- NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88-198(R) Texas Paid-Up (2/93)

OIL, GAS AND MINERAL LEASE (PAID-UP LEASE)

THIS AGREEMENT made this 30th	day of December	, 20 <u>08</u> , between
Thomas G. Cheatum, a single person		
	Lessor (whether one or more) whose address is	9109 Dove Ct
Fort Worth, Texas 76126	, Lesson (Whenter one of froze) whose appress is	
	Devon Energy Production Company, L.P.	, Lessee; whose address is
P.O. Box 450, Decatur, Texas 76234	; WITNESSETH:	
exclusively unto Lessee the lands subject hereto for the purpose of investigated their respective constituent elements) and all other minerals, (whether our veys, injecting gas, water and other fluids and air into subsurface stratamilding roads, tanks, power stations, telephone lines and other structure.	or not similar to those mentioned) and the exclusive right to conduct explor a, establishing and utilizing facilities for the disposition of salt water, layi	(including all gases, liquid hydrocarboration, geologic and geophysical tests at ing pipelines, housing its employees at
See Exhibit "A" attached hereto and made a for additional terms and conditions which are	part hereof for the description of lands in Tarra a part of this lease.	ant County, Texas and
lease shall be for a term of three (3) years from this date (called "primary te or land with which said Land is pooled hereunder. The word "operations" a drilling, testing, completing, reworking, recompleting, deepening, plugging other actions conducted on said lands associated with or related thereto.	by described above. The land covered by this lease shall be hereinafter rete or accurate description of said Land and such amendment shall include estimated to comprise 1.003 acres, whether it actually erence to the commencement, prosecution or cessation of operations and/erm") and as long thereafter as oil, gas, or other minerals is produced from as used herein shall include but not be limited to any or the following; preparations of a well in search for or in an endeavor to obtain productions.	eferred to as said Land. Lessor agrees words of present lease and grant. For the comprises more or less until such time or production at any time hereunder, the or operations are conducted on said Landing drillate location and/or access roaction of oil, gas or other minerals and at
oil produced and saved from said Land; Lessee may from time to time purchate of purchase or Lessee may sell any royalty oil in its possession and pay the cost of treating the oil to render it marketable pipeline oil or, if there is raill gases, processed liquid hydrocarbons associated therewith and any other used off the premises or for the extraction of gasoline or other product the exceed the amount received by Lessee for such gas computed at the mouth of from such sale, it being understood that Lessor's interest shall bear one-eight the wells; (c) on all other minerals mined and marketed, one-tenth either participating royalty interests, in said Land, whether or not owned by Lesse for forth herein. Lessee shall have free use of oil, gas and water from said injection and secondary recovery operations, and the royalty on oil and gas s	A Lessor the price received by the Lessee for such oil computed at the well; no available pipeline, Lessor's interest shall bear one-eighth of the cost of it respective constituent elements, casinghead gas or other gaseous substant serifrom, the market value at the well of one-eighth of the gas so sold or to of the well, and provided further on gas sold at the wells the royalty shall be that of the cost of all compression, treating, dehydrating and transporting or in kind or value at the well or mine, at Lessee's election. Any royalty into an and whether or not effectively pooled by Lessee pursuant to the provisic of Land, except water from Lessor's wells, in all operations which Lessee shall be computed after deducting any so used. Better the primary term herein, there is a well or wells capable of producing oil and for gas is being produced from said Land within the meaning of para-	ailing for the field where produced on the Lessor's interest shall bear one-eighth- all trucking charges; (b) on gas, including the produced from said Land and sold a used provided the market value shall note one-eighth of the net proceeds receive osts incurred in marketing the gas so so erests, including, without limitation, not one hereof, shall be paid from the royal may conduct hereunder, including wath of gas in paying quantities on said Lar otherwise, this lease shall not terminate agraph 2 herein. However, in this even
nervunder regardless of changes in ownership of said land or shut-in royalty provided however, in the event said well is located on a unit comprised of a sach acre of said Land included in such unit on which said shut-in well is located on a control of a said such included in such unit on which said shut-in well is located or receive such payment or tenders. Such shut-in royalty payment shall be completion of such well, or (c) the date on which oil or gas ceases to be sold (e) the date the lease ceases to be otherwise maintained, whichever be the lamanner and upon like payments or tenders on or before the next ensuing a periods of one (1) year each until such time as this lease is maintained by proyalty payment shall not be required or, if a shut-in royalty payment is tender any such sum as shut-in royalty shall render Lessee liable for the arm or market the minerals capable of being produced from said wells, but in the ordinary lease facilities of flowline, separator, and lease tank, and shall not be renders royalty or shut-in royalty as hereinabove provided, two (2) or more provided, pay or tender such royalty or shut-in royalty, in the manner above	It or a portion of said Land and other land or leases a sum determined by neated. If such bank (or any successor bank) should fail, liquidate, or be sue within thirty (30) days following receipt from Lessor of a proper recordable edue on or before the expiration of ninety (90) days after (a) the expiration of ninety (90) days after (a) the expiration of ninety (90) days after (a) the expiration of understood and agreed that no shut-in royalty payments shall anniversary of the due date for said payment, the Lessee shall continue to production or operations. However, if actual production commences with dered, no additional shut-in payment will be due until the next ensuing any need and shut-in during such one (1) year period. Lessee's failure to pay ount due but it shall not operate to terminate this lease. Lessee agrees to us exercise of such diligence, Lessee shall not be obligated to install or furnishe parties are, or claim to be, entitled to receive same, Lessee may, in liet	for each acre then covered by this leas multiplying one dollar (\$1.00) per acre for treeded by another bank or for any reast instrument naming another bank as age on of the primary term, or (b) the date been previously completed and shut-in of the due during the primary term. In hi to pay such shut-in royalty for successive in the applicable 90 day period, a shut-inversary of the due date for said tendent or tender or to properly or timely pay are reasonable diligence to produce, utilizing having the facilities are to Lessee. If at any time Lessee pays to fany other method of payment here.
as Lessee may elect. 5. (a) Lessee shall have the right and power in its discretion to possered by this lease or with other land, lease or leases in the vicinity thereome or more of said substances, and may be exercised at any time and from drilled. Pooling in one or more instances shall not exhaust the rights of Lessot conform in size or area with units as to any other stratum or strata, and cacres each in area plus a tolerance of 10% thereof, and units pooled for gas he governmental authority having jurisdiction prescribe or permit the creation or permitted by governmental regulations. The pooling for gas hereunder by as may be produced with the unitized gas, and the royalty interest payable execute in writing an instrument or instruments identifying and describing the acreage is located. Such pooled unit shall become effective as of the date such unit shall become effective on the date such instrument or instruments any time and from time to time after the original forming thereof by filing established in accordance with the terms hereof shall constitute a valid and executive mineral, royalty, non-participating royalty, overriding royalty or caces shall be under no duty to obtain an effective pooling of such other of from any part of the pooled unit which includes all or a portion of said Land his lease or the date of the instrument designating the pooled unit, shall be Land whether or not the well or wells be located on said Land. The production from a gas pooled unit, and production from a gas well procled unit. In lieu of royalties above specified, Lessor shall receive on pro-	In time to time during or after the primary term, and before or after a well assee to pool said Land or portions thereof into other units. Units formed by oil units need not conform as to area with gas units. Units pooled for oil he hereunder shall not substantially exceed in area 640 acres each, plus a tolerator of units larger than those specified, units thereafter created may conform a y Lessee shall also pool and unitize all associated liquid hydrocarbons and to Lessor thereon shall be computed the same as on gas. With respect the pooled acreage and file same for recording in the office of the County provided for in said instrument or instruments, but if said instrument or it are so filed for record. Any unit so formed may be re-formed, increased an appropriate instrument of record in the County in which said pooled a effective pooling of the interests of Lessor and Lessee hereunder regardle reasehold interests in lands within the boundary of any pooled unit. Oped, regardless of whether such operations were commenced or such production considered for all purposes, except the payment of royalties, as operations tion from an oil well will be considered production from the lease or oil powell be considered as production from the lease or gas pooled unit from will be considered as production from the lease or gas pooled unit from	espect to oil, gas or other minerals, or an has been drilled, or while a well is bein y pooling as to any stratum or strata nec creunder shall not substantially exceed 8 ance of 10% thereof, provided that shoul substantially in size with those prescribe any other respective constituent elemen to any such unit so formed, Lessee sha Clerk in the county in which said poole astruments make no such provision, the or decreased, at the election of Lessee that the existence of other mineral, not sich are not effectively pooled therewild rations on or production of oil and/or gron was secured before or after the date of one production of oil or gas from said ooled unit from which it is producing and not from an o

pooled unit. In lieu of royalties above specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of said Land placed in the unit bears to the total acreage so pooled in the unit involved, subject to the rights of Lessee to reduce proportionately Lessor's royalty as hereinafter provided. Oil or gas produced from any

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auch unit and used in the operations thereof or thereon shall be excluded in calculating said royalty. Lessee may vacate any unit formed by it hereufor by instrument in writing filed for record so as a country at any time when there is no unitized substance being produced from such unit. If this lesse now or hereafter tracts in prohibit or unitization of produced from the inclusion of such separate tracts within this lesses that the consequent allocation of production as herein provided. As used in this paragraph 5, the words "separate tract" mean any tract with consequent allocation of production as herein provided. As used in this paragraph 5, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other of said Lend.

(b) Lessee at any part or formation or strats of this lesses covering lands in the sance general area as the leased by compliming the listence and Lesson's joinder, to unitize the same with other lands, strats or lesses overing lands in the sance general area as the leased by compliming the lesses or lesses, royalty or mineral estate in and under any other tracts of the ownership thereof, any other lesses, royalty or mineral estate in and under any other tracts of the ownership thereof, so to create by required the ownership thereof, so the lesses or lesses, royalty or mineral estate in and under any other tracts of the ownership thereof, so to create by the created or lesses, royalty or mineral estate in and under any other or tracts of the ownership thereof, as to create by compliming the lesses, royalty or mineral estate in and under any other or tracts of the ownership thereof, as to create by the creates or the ownership thereof, royalty or mineral estate in and under any other or tracts of the ownership thereof or the ownership thereof or the ownership there or the ownership there or the ownership there or the ownership the ownership the ownership thereof or the ownership thereof or the ownership th

Includes auch single to version are set in rectuded whitm the terms becond within the terms becond within the terms becond within the terms of the minister were an included within the terms of the minister of the included within the terms of the minister royalty estate created by this lease with any other lease or leases, royalty or mineral estate in and under any other tract or land, regardless of the ownership thereof. so as to create by eccondary or terriary methods as the combination of such interests or any of them one or more unitized areas of such size and shape as determined by Leasee to be developed and operated by accondary or terriary methods as the combination of such interests or any of them one or more unitized areas of such sizes and entered to be developed and operated by accondary or terriary methods as information of such as a single oil, gas and mineral lease. All such production from such unitized area shall be divided or

6. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record, a release or releases covering any portion of said and/or portions of subsurface strats or stratum arrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strats of the lessee in order to have necessary access to that portion and/or strats of the lessee which remains in force and which Lessee continues to conduct operations.

It is sow time or times of the percentage of the primary of the portion of the lessee of the portion of the portion and/or are accessed by the portion of the portion of the portion and/or are accessed to the portion of the porti ettons thereon.

sust of the expenditures after the expiration of the primary term, operations of only gas or other minerals on seriesge pooled therewith should cesse from any time or times after the expiration of the primary term, operations or ynduction of oil, gas or other minerals on seriesge pooled therewith should cesse from the lease is not then being otherwise maintained, this lease shall not terminate if Lessee commences or resumes operations with no cessation of operations of more than mineral (90) consecutive days, and if such operations with no cessation of operations of more than mineral is produced from said Land or acreage pooled therewith. It is understood and agreed that if, during the primary term hereof, all operations or production cesses on said Land or lead therewith, this lease shall novertheless remain in full force and effect during the paid-up primary term hereof. It is the expiration of the primary term, oil, gas or other minerals is not being produced on said Land or on acreage pooled therewith oil, gas or other minerals is not being produced on said Land or on acreage pooled therewith but operations can be primary term this lesses shall not terminate and or on sereage pooled therewith but operations can be primary term, the primary term, this lesses shall not terminate in the primary term, this lesses shall not terminate in the primary term, the primary term, this lesses shall not terminate if Lessee commences or resumes operations within minery (90) days of each describion of produced or or produced or or produced or said essestations of the primary term, this lesses shall not terminate in the primary term, this lesses shall not terminate in the primary term, this lesses shall not terminate so treatments operations within minery (90) days of said cessation of producing or operations. If after the expiration of the primary term, this lesse shall not be such a primary term, this lesse shall not be such such some of the primary term, this lesse shall not be appeared by an oil of the primary term, the

8. Lessee shall have the right, at any time during or after the expiration of this lease, to remove all property and fixtures placed by Lessee on said Land, including the right to draw and tensor's request and when reasonably necessary for utilization of the surface for some intended use by the Lessor, Lessee will bury all pipelines below ordinary plow depth. No wall shall be drilled within two hundred (200) feet of any residence or barn now on said Land without Lessor's consent.

9. The rights of either party hereunder may be assigned in whole or in part, and the provisions bereof shall extend to theirs, successors and assigns, but no change or division in such are shall be binding of said Land or toyshies, however accomplished, shall operate to enlarge the obligation or diminish the right of Lessee, and no change or division in such ownership shall be binding

x. Incrigate of cause party increased may be assigned, by a flower of the control of their successors and essigns; but no obserge or division in such ownership shall be binding of said Land or toyslites, bowever accomplished, shall persist to enlarge the obligation or diminish the right of Lessec, and no change or division; in such ownership shall be binding on a Lessec will librity (30) days after Lesses shall have been flumished, by registered U. S. mail at Lessec is principal place of business, with a certified copy of recorded instrument or many control of the decedent in a depository bank proximal asuch breach. It is a control to the credit of the decedent in a depository bank proximal such breach. It is assigned to the credit of the credit of the cected in a part. In the event of sasignment breach in what is instituted to a portion thereof who commits such breach. It as on once senting to be received by all such plates, designment bereof in whole or in part. Lessec may nevertheles and writh lumished with a recordable instrument, excessed a way all such plates, designment become entitled to receive part of such control of the decedent in a depository bank provided for above. In the event of sassignment become entitled to reveally be a position thereof who commits such breach the part of the centre of the control of the centre of the control of the centre of the

shall not be counted against Lessee, anything in this lesse to the contrary notwithstanding.

(b) The specification of causes of force majoure berein enumerated shall not exclude other causes from consideration in determining whether Lessee has used reasonable diligence wherever required in fulfilling any obligations or conditions of this lease, express or implied, and any delay of not more than six (6) months after termination of force majoure shall be deemed 12. (a) Should Lessee be prevented from complying with any express or implied coverant of this lease, from conducting operations therefore, or from producing oil or gas therefrom the comply with such coverant shall be suspended and Lessee shall not be liable for damages for failure to comply with such coverant shall be suspended and Lessee shall not be liable for damages for failure to comply therewith; and this lesse shall be extended while and so long as Lessee is prevented by a such coverant from conducting operations on or from producing oil or gas from said Land, and the time while Lessee is a prevented the contract of the co

(c) All terms and conditions of this lesse, whether express or implied, shall be subject to all Federal and State Laws, Executive Orders, Rules, or Regulations; and this lesses shall maked, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, or the part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, or the such failure is the result of, any such Law, Order, or the such failure is the result of, any such Law.

see states the entire contract between the parties, and no representation or promise, verbal or written, on behalf of either party statement he binding upless contained herein; and binding upon each party executing the same and their successors, heirs, and assigns, regardless of whether or not executed by all persons above named as "Lessor". 13. This le Regulation io anny

IN WITNESS WHEREOF, this instrument is executed on the date first above written. this lease shall be binding upon each party executing the same and their successors, heirs, and assigns, regardles

Texas	Frinted Name:	NNIS DEAN WICKS Public, State of Texas Commission Expires	netoN (1)	
omas G. Cheatum, a single person	Motary Signature:	day of December, 2	for entre solded bagbalwombse se	sw insmritani aidT
		§	Tarrant	CONNIL OF
		§	Lexas	STATE OF
HOSSET		TESSOR		·
LESSOR	and the state of	TESSOR TESSOR	A / 1 m .	Thomas G. Chestu

Marie Property

Clacker Judy

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED ON DECEMBER 30, 2008 BY AND BETWEEN THOMAS G. CHEATUM, A SINGLE PERSON, AS LESSOR AND DEVON ENERGY PRODUCTION COMPANY, L. P., AS LESSEE.

LEGAL DESCRIPTION OF PROPERTY:

A tract of land containing 1.003 acres, more or less, out of the James O. Quinn Survey, Abstract No. 1257, Tarrant County, Texas, and being the same land described in that certain Warranty Deed dated December 28, 1978, by and between First Venture Corp., as Grantor and Medallion Corp., as Grantee, recorded in Book 6658, at Page 581, of the Deed Records of Tarrant County, Texas.

ADDITIONAL PROVISIONS:

- Notwithstanding anything contained in this lease to the contrary, wherever the fraction "oneeighth (1/8th)" appears in the printed portion of this lease the same is hereby amended to read "twenty-two (22%)".
- 2. Notwithstanding anything to the contrary contained in the printed form to which this Exhibit is attached, it is understood and agreed between Lessor and Lessee, that there will be no operations for oil or gas development and/or production upon the surface of the above described land without the express written consent of Lessor; provided, only that Lessee shall have the right to drill under, or through, produce from and inject substances into the subsurface of the lands covered by this Lease, from wells which are located on lands pooled therewith, or which are located on other lands.
- 3. Lessee, its successors and assigns, agree to indemnify and hold harmless and defend Lessor, its successors and assigns, agents and employees from and against all suits, claims, demands and causes of action including attorney fees and court costs that may be at any time brought or made by any person, corporation or other entity including, but not limited to, employees of Lessee, arising out of or in any way connected with Lessee's activities and operations conducted pursuant to the terms of this lease. It is further agreed that if any suit, claim, demand or cause of action is brought or arises which is or might be covered by this indemnification provision, the party hereto who first receives notice thereof will immediately notify the other party hereto. It is understood, however, that this provision will not apply if the action is caused in whole or part by Lessor's negligence or Lessor's contributory negligence.

SIGNED FOR IDENTIFICATION:

G. CHEATUM



DEVON ENERGY PO BOX 450

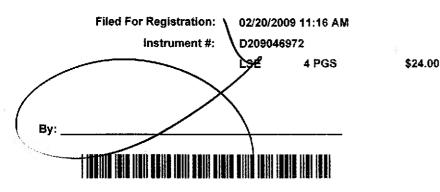
DECATUR

TX 76234

Submitter: DEVON ENERGY

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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